

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6656

BILL NUMBER: SB 189

NOTE PREPARED: Apr 10, 2013

BILL AMENDED: Apr 9, 2013

SUBJECT: Performance-Qualified School Districts.

FIRST AUTHOR: Sen. Delph

FIRST SPONSOR: Rep. Huston

BILL STATUS: As Passed House

FUNDS AFFECTED: X **GENERAL
DEDICATED
FEDERAL**

IMPACT: State and Local

Summary of Legislation: This bill establishes performance-qualified school districts and high schools to provide flexibility in administration and instruction to school corporations or high schools that meet certain performance criteria. It provides that a performance-qualified school district or high school is exempt from certain education statutes, rules, and guidelines. The bill establishes the performance criteria that must be met and the statutes, rules, and guidelines with which a performance-qualified school district or high school must continue to comply.

Effective Date: Upon Passage.

Explanation of State Expenditures: The Department of Education (DOE) would certify a high school as a performance-qualified high school if the high school receives an A school performance rating.

DOE would certify a school corporation as a performance-qualified school district if it receives an A performance rating and at least 85% of the school corporation's students required to participate in the ISTEP test received a passing grade in both the English/language arts and mathematics tests.

(Revised) The State Board of Education is also required to establish criteria by November 1, 2013, to be used to grant a performance-qualified high school waiver for high schools that did not receive an A performance rating. During the 2014 legislative session, the General Assembly could reject, modify, or codify the criteria developed by the board.

Depending on the number of school corporations and high schools that apply for performance-qualified status,

the DOE should be able to administer this program within its existing resources.

Explanation of State Revenues:

Explanation of Local Expenditures: The bill could potentially reduce school administrative costs and program costs in school corporations certified as performance-qualified school districts or with high schools certified as performance-qualified high schools. The extent of these savings is unknown.

A high school that is certified as a performance-qualified high school would be required to provide 180 instructional days of school but would be allowed flexibility in the definition of instructional time and instructional day.

(Revised) A school corporation certified as a performance-qualified school district or high school certified as a performance-qualified high school also would be exempt from the following statutes of Title 20 of the Indiana Code and rules and guidelines of the State Board of Education adopted under the statutes.

1. Provisions that do not apply to school corporations in general.
2. Programs administered by the state except for educational service centers and annual performance reports.
3. School teachers, except for:
 - a. Conviction of certain felonies; notice and hearing; permanent revocation of license; data base of school employees who have been reported.
 - b. Teacher contracts.
 - c. Cancellation of teacher contracts.
 - d. Contracts with school administrators.
 - e. Teacher salary and related payments.
 - f. Conditions of employment.
4. Curriculum except for:
 - a. Patriotic commemorative observances.
 - b. Personal financial responsibility instruction.
5. Student standards except for:
 - a. Graduation requirements.
 - b. Indiana Statewide Testing for Educational Progress (ISTEP).
 - c. Remediation.
6. High-Ability Students.
7. Career and Technical Education.
8. Rules or guidelines adopted to carry out postsecondary enrollment opportunities.

A school corporation certified as a performance-qualified school district or a high school certified as a performance-qualified high school would be subject to the following statutes in Title 20 of the Indiana Code and rules and guidelines of the State Board of Education adopted under the statutes.

1. Educational Service Centers.
2. School Corporation annual performance reports
3. Organization of school corporations.
4. School corporation general administrative provisions.
5. School transportation.
6. Conviction of certain felonies; permanent revocation of license.

7. Teacher contracts.
8. Cancellation of teacher contracts.
9. Contracts with school administrators.
10. Teacher salary and related payments.
11. Conditions of employment.
12. Collective bargaining for teachers.
13. Patriotic commemorative observances.
14. Personal financial responsibility.
15. Accountability for school performance and improvement.
16. Accreditation, assessment, and remediation.
17. Students, general provisions.
18. Health and safety measures.
19. Special education.
20. Accounting procedures.
21. Government funds and accounts.
22. Extracurricular funds and accounts.
23. Allocation of expenditures to student instruction.
24. State tuition support.
25. Property tax levies.
26. General fund levies.
27. Levies other than general fund.
28. Related entities, holding companies, lease agreements.
29. Borrowing and bonds.
30. State management of common school funds; state advances and loans.
31. Homeless children and foster care children.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools.

Information Sources:

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